

***United States Court of Appeals
for the Second Circuit***



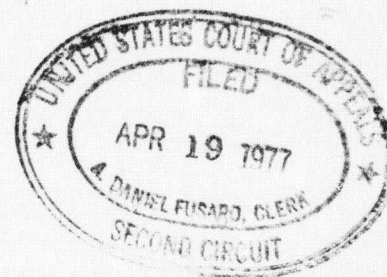
EXHIBITS

UNITED STATES COURT OF APPEALS
SECOND CIRCUIT

DOCKET NO. 77-7105

77-7105

----- x
OSCAR ROBERTSON, et al., :
Plaintiffs, :
- against - :
NATIONAL BASKETBALL ASSOCIATION, et al., :
Defendants. :
----- x
AMERICAN BASKETBALL ASSOCIATION, et al., :
Cross-Claimants, :
- against - :
NATIONAL BASKETBALL ASSOCIATION, et al., :
Cross-Defendants. :
----- x
R. T. ECKLES, Trustee in Bankruptcy for :
Mountain States Sports, Inc., d/b/a/ :
Utah Stars, :
Cross-Claimant-Appellant, :
- against - :
FREDERICK P. FURTH, :
Appellee. :
----- x



On Appeal From The United States District Court
For The Southern District Of New York

EXHIBITS TO REPLY BRIEF FOR CROSS-CLAIMANT-APPELLANT

WATSON LEAVENWORTH KELTON & TAGGART
Special Counsel Appearing for
Cross-Claimant-Appellant
100 Park Avenue
New York, New York 10017
(212) 683-4221

OF COUNSEL:

Thomas V. Heyman
Maxim H. Waldbaum
100 Park Avenue
New York, New York 10017

Robert G. Pierce
Butler, Landrum, Pierce and Turner
720 Kipling, Suite 201
Lakewood, Colorado 80215

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March 7, 1977

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Complaint for Temporary
Restraining Order, Preliminary
Injunction and Permanent
Injunction; Petition to Dismiss
Action; and Order of Dismissal

C

7/23/76

INDEMNIFICATION AGREEMENT

FOR GOOD AND VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the undersigned Indemnifying Parties, jointly and severally, hereby agree as follows:

1. The "Protected Parties" shall mean: (a) the National Basketball Association ("NBA"); (b) all persons and entities who are or ever have been or in the future may be members of the NBA, parties to the Joint Venture Agreement among such members, or holders of franchises in the NBA; and (c) all past, current and future shareholders of, holders of ownership interests in, general and limited partners, directors, officers, executives, players and other employees of, any person or entity referred to in (a) or (b) above.

2. The Indemnifying Parties shall indemnify and protect each of the Protected Parties against and hold each of them harmless from and against each and every claim, demand, loss, liability, action, suit or proceeding now or hereafter pending, threatened, alleged or asserted against any or all of the Protected Parties, arising in connection with any matter listed among the Covered Claims on Schedule 1 hereto.

3. The agreements of the Indemnifying Parties under this Indemnification Agreement include, by way of example but not of limitation, the obligation to pay to the Protected Parties or their designees, within ten (10) days of demand, all reasonable costs and expenses (from and after July 26, 1976) as and when incurred by the Protected Parties:

EXHIBIT A

(a) in connection with investigating,
responding to and/or defending any Covered Claim;
and

(b) in connection with the settlement or
compromise of any Covered Claim or the determina-
tion of any Covered Claim adverse to any of the
Protected Parties

including, in all events, all damages, all amounts paid in
settlement or compromise (including the cost or value, which-
ever is higher, of any non-cash payments), all reasonable fees,
costs and disbursements of lawyers, accountants, experts,
witnesses and others.

The defense of every Covered Claim shall be con-
ducted by counsel selected by the Protected Parties against
whom the Covered Claim has been asserted, with the approval
of the Indemnifying Parties, which approval shall not be
unreasonably withheld; provided, however, that the approval
of the Indemnifying Parties shall not be required if the
counsel selected is counsel regularly engaged by any of such
Protected Parties or counsel selected by such regularly
engaged counsel.

The Protected Parties shall not settle any Covered
Claim without the approval of the Indemnifying Parties,
which approval shall not be unreasonably withheld; provided,
however, that the approval of the Indemnifying Parties shall
not be required with respect to the settlement of any Covered
Claim if such settlement can be effected on terms which
are reasonable under all of the circumstances taking into
account, for example, the judgment of counsel conducting the
defense of such Covered Claim, and the respective interests
of the Protected Parties and the Indemnifying Parties.

The failure of any of the Protected Parties to give notice to the Indemnifying Parties of the assertion of any Covered Claim shall not affect or diminish the liabilities and obligations of the Indemnifying Parties hereunder with respect to such Covered Claim; provided, however, that the Indemnifying Parties' obligations and liabilities hereunder to pay costs and expenses (including amounts paid in settlement) incurred in connection with investigating and responding to and settling any Covered Claim which has not been asserted through July 26, 1976, shall not accrue until notice of such Covered Claim is given to the Indemnifying Parties as set forth in Paragraph 6 below.

4. This Indemnification Agreement shall be (a) binding upon each of the Indemnifying Parties and their successors and assigns, by contract or by operation of law; and (b) inure to the benefit of each of the Protected Parties and their respective successors and assigns, by contract or by operation of law. No waiver of any right which might be asserted hereunder by any of the Protected Parties shall be effective unless set forth in a writing duly signed by such Protected Party referring specifically to a waiver hereunder and no waiver of any right on one occasion shall constitute any waiver of such right or any other right on any subsequent occasion.

5. This Indemnification Agreement shall be governed by and construed under the laws of the State of New York, as applied to contracts to be wholly performed within such state, without reference to rules regarding choice or conflicts of laws. This Indemnification Agreement, including Schedule 1 hereto, constitutes the entire agreement among the parties with respect to the subject matter hereof and cannot be amended or terminated except by a writing signed by the Commissioner of the NBA at the direction of 75% of the members of the Board of Governors thereof.

6. Notice to the Indemnifying Parties shall be deemed duly given when mailed by certified or registered mail, return receipt requested, addressed to them as follows:

<u>Name of Team</u>	<u>Address</u>
Arena Sports, Inc.	151 North Delaware Street Indianapolis, Indiana 46204
San Antonio Basketball Ltd.	Hemisfair Plaza P.O. Box 530 San Antonio, Texas 78292
Denver Nuggets, Inc.	1635 Clay Street Denver, Colorado 80204
Long Island Sports (a limited partnership)	1 Old Country Road Carle Place, New York 11515

Each of the Indemnifying Parties shall have the right to change its name and/or address by written notices mailed by certified or registered mail, return receipt requested, addressed to:

National Basketball Association
2 Penn Plaza
New York, New York 10011
Attention: Commissioner

and

Proskauer Rose Goetz & Mendelsohn
300 Park Avenue
New York, New York 10022
Attention: David J. Stern, Esq.

No other form of giving notice shall be precluded,
but notice given by any other means shall not be deemed duly
given unless in writing and until actually received by the
intended recipient.

IN WITNESS WHEREOF, the Indemnifying Parties have
duly executed and delivered this Indemnification Agreement as
of this 26th day of July , 1976.

Indemnifying Parties:

Arena Sports, Inc.

By: Michael Eason

San Antonio Basketball Ltd.

By: Angelo Drane
Concessions, Inc., its general
partner by

Denver Nuggets, Inc.

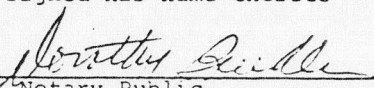
By: Ken [Signature]

Long Island Sports
(a limited partnership)

By: Rog [Signature]

STATE OF N.Y.)
COUNTY OF N.Y.) ss:

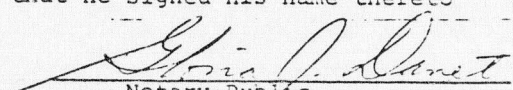
On the 29th day of JULY, 1976, before me personally came DANIEL S. HOFFMAN, to me known, who, being by me duly sworn, did depose and say that he is ~~A MEMBER~~ of the Executive Committee of Denver Nuggets, Inc., the corporation described in and which has executed the foregoing instrument; that the said instrument was so executed by order of the Board of Directors of said corporation pursuant to a duly constituted meeting and that he signed his name thereto by like order.


Notary Public

DOROTHY BUEHLER
Notary Public, State of New York
No. 31-4623778
Qualified in New York County
Commission Expires March 30, 1978

STATE OF N.Y.)
COUNTY OF N.Y.) ss:

On the 29th day of JULY, 1976, before me personally came WILLARD EASON, to me known, who, being by me duly sworn, did depose and say that he is the ~~Chairman of the Board~~ of Arena Sports, Inc., the corporation described in and which has executed the foregoing instrument; that the said instrument was so executed by order of the Board of Directors of said corporation pursuant to a duly constituted meeting and that he signed his name thereto by like order.


Notary Public
GLORIA J. O'NEIL

Notary Public, State of New York
No. 41-4511053 Qual. in Queens Co.
Commission Expires March 30, 1977

STATE OF N.Y.)
COUNTY OF N.Y.) ss:

On this 29th day of JULY, 1976, before me personally appeared ROY L.M. BOE, to me known and known to me to be a partner of the Partnership known as Long Island Sports mentioned and described in, and which executed the foregoing instrument, and the said partner duly acknowledged to me that he executed said instru-

ment for and on behalf of and with the authority of the said Partnership.

Dorothy Buehler
Notary Public

DOROTHY BUEHLER
Notary Public, State of New York
No. 31-4622776
Qualified in New York County
Commission Expires March 30, 1978

STATE OF N.Y.)
COUNTY OF N.Y.) ss:

On the 9th day of July, 1976, before me personally appeared Dorothy Buehler to me known and known to me to be the duly authorized officer of San Antonio Basketball Ltd., the General Partner of the Limited Partnership known as San Antonio Basketball Ltd. mentioned and described in, and which executed the foregoing instrument, and the said officer duly acknowledged to me that he executed said instrument for and on behalf of and with the authority of the said partnership and said corporation.

Michele Krugman
Notary Public

MICHELE KRUGMAN
NOTARY PUBLIC, State of New York
No. 30-4422122
Qualified in Nassau County
Commission Expires March 30, 1977

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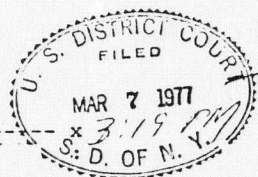
SCHEDULE 1
COVERED CLAIMS

All of the following, by whomever, wherever and whenever asserted, whether now known or unknown, whether presently pending or asserted in the future, whether seeking legal or equitable relief, whether or not liquidated in amount, fixed or contingent:

1. Claims of any player whose contract is listed on Exhibit 3 to the aforementioned Expansion Agreements with respect to deferred compensation or deferred benefits allegedly due that player for services rendered by the player prior to the commencement of the 1976-1977 NBA basketball playing season.
2. Claims by creditors, taxing authorities or others against the American Basketball Association ("ABA") or any of its past or present members.
3. Claims based on any theory, allegation or contention that the Protected Parties or any of them have succeeded to or become liable for any obligations or liabilities of the ABA or any of its past or present members.
4. Claims of any nature by the ABA or any of its past or present members, or players or other employees of the ABA or any of its past or present members, arising in connection with facts, circumstances or events existing through the Closing Date.

C414-001

Copy



UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

OSCAR ROBERTSON, WILLIAM BRADLEY, JOE
CALDWELL, ARCHIE CLARK, MEL COUNTS,
JOHN HAVLICEK, DONALD KOJIS, JON
MCGLOCKLIN, MCCOY McLEMORE, THOMAS
MESCHERY, JEFFREY MULLINS, WESTLEY UNSELD,
RICHARD VAN ARSDALE and CHESTER WALKER,
individually and as representatives of
all present and future active players
in the National Basketball Association,

Plaintiffs,

- against -

70 Civ. 1526

45665

NATIONAL BASKETBALL ASSOCIATION, a joint
venture, MADISON SQUARE GARDEN CENTER
INC., MADISON SQUARE GARDEN CORPORATION,
MILWAUKEE PROFESSIONAL SPORTS & SERVICES
INC., THE CAPITAL BULLETS BASKETBALL CLUB,
INC. (formerly THE BALTIMORE PULLETS
BASKETBALL CLUB, INC.), RIKO ENTERPRISES,
INC., KINGS PROFESSIONAL BASKETBALL CLUB,
INC. (formerly CINCINNATI BASKETBALL CLUB
COMPANY), BOSTON CELTIC BASKETBALL CLUB,
INC. (formerly TRANS NATIONAL COMMUNICA-
TIONS, INC.), DETROIT PISTONS BASKETBALL
COMPANY (formerly ZOLLNER CORPORATION),
ATLANTA HAWKS BASKETBALL, INC., CALIFORNIA
SPORTS, INCORPORATED, THE CHICAGO PROFES-
SIONAL BASKETBALL CORPORATION, PHOENIX
PROFESSIONAL BASKETBALL CLUB, GOLDEN STATE
WARRIORS (formerly SAN FRANCISCO WARRIORS),
SEATTLE SUPERSONICS CORPORATION, TEXAS
SPORTS INVESTMENTS, INC. (formerly SAN
DIEGO BASKETBALL CLUB), BUFFALO BRAVES,
INC., CLEVELAND PROFESSIONAL BASKETBALL
COMPANY, PRO BASKETBALL, INC., NEW ORLEANS
PROFESSIONAL BASKETBALL CLUB and AMERICAN
BASKETBALL ASSOCIATION,

Defendants.

EXHIBIT B

O P I N I O N

The NBA defendants other than Madison Square Garden Center, Inc. and Madison Square Garden Corporation ("NBA defendants"), have moved pursuant to F.R.Civ.P. 65 for a preliminary injunction enjoining cross-claimant New Virginia Squires ("Virginia") and intervenor cross-claimant New Orleans Buccaneers ("New Orleans") from prosecuting actions brought against the NBA in other jurisdictions where such litigation raises the same issues raised in the litigation pending in this court. On November 19, 1976, Virginia commenced an action in the United States District Court, Eastern District of Virginia. New Virginia Squires v. National Basketball Association, et al., (Civil Action 76-699-N) ("Virginia action"). On August 11, 1976, New Orleans commenced an action in the United States District Court, Eastern District of Louisiana. New Orleans Buccaneers, Inc. v. National Basketball Association, et al., (Civil Action 76-2467) ("Louisiana action").

At the January 21, 1977 hearing the parties were advised that because the substance of the claims raised in the Virginia and Louisiana action appeared to be substantially identical to the claims made by the remaining cross-claimants in this case, my inclination was to grant the NBA defendants' motion. Virginia and New Orleans agreed not to proceed with the actions brought outside this district pending final determination of the NBA's motion.

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At the January 21, 1977 hearing the parties were advised that because the substance of the claims raised in the Virginia and Louisiana action appeared to be substantially identical to the claims made by the remaining cross-claimants in this case, my inclination was to grant the NBA defendants' motion. Virginia and New Orleans agreed not to proceed with the actions brought outside this district pending final determination of the NBA's motion.

Having now decided that my earlier inclination was correct, I hereby grant the motion for a preliminary injunction.

While this case has been settled as to some of the parties, cross-claims are still being prosecuted by seven different cross-claimants, Virginia and New Orleans among them. The complaint in the Virginia action raises substantially identical claims as those asserted by the remaining cross-claimants in this action. Both the Virginia complaint and the ABA cross-claim allege a combination and conspiracy in restraint of trade in professional basketball; both allege that the actions of the NBA defendants were intended to drive Virginia out of business; and both allege that the effect of the acts of the NBA defendants has been, to monopolize professional basketball, to eliminate competition in the televising of professional basketball, to deny to the public and the ABA teams the advantages of free competition in professional basketball, and so forth.

The only significant difference between the Virginia complaints and the cross-claims here is that the Virginia case speaks of acts which occurred in 1976, while the ABA cross-claim refers to acts which occurred earlier. That difference, however, is without substance since the cross-claimants will be able to introduce evidence as to any NBA acts in respect of the violations alleged which occurred up to the date of trial.

The complaint in the Louisiana action also substantially tracks the ABA cross-claim. Indeed at the January 21, 1977 hearing, New Orleans did not even seriously suggest otherwise, but argued instead that New Orleans is not a party to this lawsuit and therefore could not be enjoined from prosecuting the Louisiana action. ^{1/}

In sum, both the Virginia and Louisiana actions challenge the same basic practices challenged in the ABA cross-claim. Any injury resulting from those practices may be redressed here. This includes injuries that may have resulted from recent anti-trust violations, which are nevertheless a part of this case.

Determination

This court has the power to enjoin the Virginia and New Orleans actions in order to prevent the defeat of its jurisdiction which would result from the prosecution in other jurisdictions of actions substantially identical to that involved here. See, e.g. Meeropol v. Nizer, 505 F.2d 232, 235 (2d Cir. 1974); Coakely & Booth, Inc. v. Baltimore Contractors,

^{1/} See discussion, infra, rejecting this argument.

Inc., 367 F.2d 151 (2d Cir. 1966). The court previously granted a similar motion by the NBA defendants when it enjoined Wilton N. Chamberlain from prosecuting an action in the United States District Court for the Central District of California. The reasoning of the court there is fully applicable here:

"If the jurisdiction of this court to determine this action, either by trial or by court-approved settlement, is to be protected, an injunction must issue. To allow two actions so similar in nature to proceed would place an unfair burden on defendants. Were this court to countenance Chamberlain's prosecution of his California action at the same time that his authorized agents proceed before me, it is likely that other class plaintiffs will commence similar suits. Besides the onus of defending multiple suits in widely scattered courthouses, defendants, without the protection of this injunction, would face the possibility of inconsistent declaratory or injunctive mandates prescribing their future compliance with the antitrust laws." 413 F. Supp. 88, 90-91. See also the court's February 27, 1976 opinion enjoining Chester Walker from prosecuting a duplicative action in Philadelphia. 1976-1 CCH Trade Cases, ¶60,777.

Issuance of the injunction, on the other hand, would cause little prejudice to either Virginia or New Orleans. Virginia has been a cross-claimant in this action for more than two years; New Orleans at its own request was granted leave to intervene in this action in July, 1976, only shortly before commencing a virtually identical action in Louisiana. Both Virginia and New Orleans may protect fully their rights in the litigation now pending before this court.

The fact that certain of the parties named in the Virginia and Louisiana actions differ from those named in this action, and vice versa, does not affect the power of the court to enjoin the Virginia and New Orleans actions. See, e.g., Meeropol v. Nizer, supra; Environmental Defense Fund v. Environmental Protection Agency, 485 F.2d 780 (D.C. Cir. 1973). Additionally, whether or not New Orleans is a party to this action, the court has the power to enjoin it from prosecuting claims in another court which are duplicative of those being tried here. Environmental Defense Fund v. Environmental Protection Agency, supra, at 784; see also Regal Knitwear Co. v. N.L.R.B., 324 U.S. 9 (1945).^{2/}

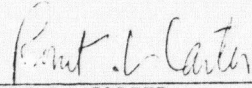
The NBA defendants' motion is granted. Virginia and New Orleans are hereby enjoined from prosecuting, respectively, the Virginia action and the Louisiana action, pending the disposition of this case. To the extent that the Virginia and New Orleans actions involve claims outside of the scope of this action, they will, of course, survive decision or settlement of this case.

^{2/} In its attempt to defeat defendants' motion on the grounds that it was not a party to the action, New Orleans filed a F.R.Civ.P. 41(a) notice of dismissal. Upon the court's indication to New Orleans at the January 21 hearing that such a tactic would be unavailing, New Orleans withdrew the notice of dismissal with the court's permission.

The foregoing shall constitute the court's
findings of fact and conclusions of law.

IT IS SO ORDERED.

Dated: New York, New York
March 4, 1977



ROBERT L. CARTER
U. S. D. J.

COMPLAINT
FOR TEMPORARY RESTRAINING ORDER,
PRELIMINARY INJUNCTION AND PERMANENT INJUNCTION

Comes now the Plaintiff, by his attorney, Robert G. Pierce, and states and alleges as follows:

1. On April 23, 1976, the Mountain States Sports, Inc., a Colorado corporation, operating also under the name of the Utah Stars, hereafter referred to as the Bankrupt, filed its voluntary petition in bankruptcy.

2. The plaintiff is the duly appointed, acting and qualified trustee in bankruptcy for the bankrupt.

3. On the 1st day of December, 1975, the Bankrupt, Bill Daniels, Ozzie Silna, and the Spirits of St. Louis Basketball Club, Limited Partnership, hereafter referred to as the Spirits, entered into an agreement under which four player contracts owned by the bankrupt were transferred to the Spirits. The agreement further provided in part as follows:

(a) By February 1, 1976, to pay taxes and withholdings in the amount of \$57,000.00.

(b) In January, 1976, the Spirits were to pay to Zelmo Beaty the sum of \$30,000.00 in connection with a contract entered into between Beaty and the bankrupt and the Spirits were to assume additional amounts coming due on said contract in the sum of \$270,000.00 payable over a period of years.

(c) The Spirits granted to the bankrupt a ten percent limited partnership interest, Class II, of the Spirits.

(d) Silna agreed that at the option of the bankrupt, Silna would purchase from the bankrupt said ten percent interest for the sum of \$280,000.00 (subject to adjustment for dilution) provided notice of election to sell was given on or before June 1, 1976.

(e) If, within twenty-four months of December 1, 1975, the Spirits were to sell, transfer or otherwise dispose

of the contract of any player and received in exchange, present or future, any cash or property (excluding other player contracts) within thirty days of receipt of the cash or property, the Spirits agreed to pay to the bankrupt thirty percent of the cash and property so received.

4. Said agreement of December 1, 1975, further provided that the Spirits granted to the bankrupt a security interest in the four player contracts and other assets conveyed by the bankrupt to the Spirits as security for the performance of the Spirits obligations to the bankrupt, that the Spirits would execute such financing statements and other documents of further assurance as might be necessary to secure the bankrupt and granted power of attorney to bankrupt to execute in the name of the Spirits such financing statements and documents as may be necessary to perfect such security interest.

5. Plaintiff states upon information and belief that:

(a) The Spirits failed to pay in full the sum of \$57,000.00 in state and federal taxes and withholding as provided in paragraph 1(a) of the agreement of December 1, 1975, and there remains due approximately \$10,000.00.

(b) The Spirits have failed to execute financing statements and documents of further assurance necessary to perfect the security interest granted by the Spirits to the bankrupt as security for the performance of the Spirits' obligations as provided in paragraph 2(d) of the agreement of December 1, 1975, although request or demand therefor was made on March 23, 1976.

(c) The Spirits sold the contract of Gus Gerard to the Denver Nuggets and received in consideration therefor the sum of \$50,000.00.

6. On or about May 18, 1976, pursuant to Court Order the plaintiff as trustee exercised the bankrupt's option to sell bankrupt's ten percent interest in the Spirits to Ozzie

Silna and the sum of \$230,000.00 is owed by said Ozzie Silna to the bankrupt as provided in the agreement of December 1, 1975.

7. According to newspaper accounts during June and July, 1976, the Spirits, the National Basketball Association, hereafter referred to as the NBA, and the American Basketball Association, hereafter referred to as the ABA, and other members of said NBA and ABA, entered into one or more agreements under which the Spirits will terminate their franchise in the ABA and will disperse their players, including the four players acquired from the bankrupt whose contracts are the subject of the security agreement referred to above, to various teams or members of the NBA in consideration for certain amounts to be paid to the Spirits for such players or their contracts. The details concerning such agreements or dispersal are unknown to the plaintiff, but the amount to be paid to the Spirits for said four player contracts and other player contracts owned by the Spirits is reportedly in excess of \$1,000,000.00.

8. Plaintiff states upon information and belief that such dispersal of player contracts constitutes a sale, transfer or other disposition of players within the meaning of the paragraph 2(j) of the agreement of December 1, 1975, that the bankrupt is entitled to thirty percent of the amounts received therefor by the Spirits and that the bankrupt has a security interest in the four player contracts transferred by the bankrupt to the Spirits under the agreement of December 1, 1975.

9. Plaintiff states upon information and belief that the Spirits or Ozzie Silna or both are obligated to the bankrupt for the following:

- (a) Up to approximately \$10,000.00 for taxes and withholding.
- (b) Up to \$270,000.00 for amounts payable to Zelmo Beaty.

(c) \$15,000.00 representing 30% of amounts received for Gus Gerard's contract.

(d) Up to \$280,000.00 for purchase of bankrupt's ten percent interest in the Spirits.

(e) Up to \$300,000.00 or more as plaintiff's thirty percent share of the cash or property received or to be received by the Spirits on the sale, transfer or disposition of players.

10. Plaintiff states upon information and belief that the Spirits are going to cease operation as a professional basketball club, that the Spirits' assets may be distributed to creditors or owners of units of the Spirits limited partnership and that the Spirits may be insolvent.

11. Under the terms of the agreement of December 1, 1975, any matters relating to the construction or enforcement of said agreement are to be submitted to arbitration with the American Arbitration Association in Denver, Colorado.

12. The American Arbitration Association has no jurisdiction, authority or power to enter any valid and binding orders to protect the rights of the parties to such arbitration prior to arbitration.

13. This Court does have jurisdiction, authority or power to protect such rights and to issue temporary restraining orders, preliminary injunctions and permanent injunctions and can enjoin the defendants or any of them from taking any action which will unfairly and adversely affect the interests of the bankrupt and its creditors.

14. Plaintiff states upon information and belief that in the event a distribution of funds, cash or property to the Spirits pursuant to the agreement between defendants or any of them is made, it may be difficult or impossible for the plaintiff to collect amounts due the bankrupt from defendant Silna or the Spirits and perform his duties and obligations as trustee and to protect the interests of the creditors and that the bankrupt may

suffer immediate and irreparable injury, loss or damage which cannot be compensated by money judgment.

15. As to the bankrupt's thirty percent interest in all player contracts sold, transferred or otherwise disposed of, and in particular with regard to the four such player contracts previously transferred from bankrupt to the Spirits in which the bankrupt has a security interest, such thirty percent interest constitutes property in the custody of the bankruptcy court to which the defendants have no adverse claim.

16. The defendants or one or more of them will make payment to the Spirits of the sum of approximately one million dollars (\$1,000,000.00) during the months of September and October, 1976. One or more of the defendants may act as escrow agents for the payment of monies from the defendants or any of them to the Spirits.

17. In the event defendants are determined to be adverse claimants, plaintiff seeks time within which to file a plenary suit.

WHEREFORE, the Plaintiff prays the Court as follows:

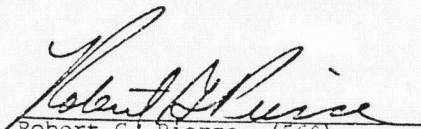
1. For temporary restraining order without notice, preliminary injunction and permanent injunction pursuant to Rule 765 of the Rules of Bankruptcy Procedure enjoining the defendants or any of them from transferring, disbursing, dispersing, distributing, paying-over, receiving or otherwise disposing of or receiving in any manner, to or by the Spirits or any other person or entity any funds, property, credits, amounts, rights or other property or evidences of property, whether tangible or intangible, in connection with the agreements heretofor or hereafter entered into by and between the defendants or any of them relating to the merger, consolidation, expansion or other change in the NBA or ABA or any member of either Association as the same relate to any players previously, presently or in the future under contract with the Spirits or

relating to any property of any kind of the Spirits, until
further Order of this Court. ✓

2. For Order that such temporary restraining order,
preliminary injunction and permanent injunction be issued
without compliance with Rule 65(c) of the Federal Rules of
Civil Procedure relating to giving of security.

3. For such other and further relief as the Court
may deem proper.

4. For waiver of filing fee.


Robert G. Pierce (560)
Attorney at Law
720 Kipling, Suite 201
Lakewood, Colorado 80215
Telephone: 232-3888

Filing Fee waived
August 25, 1976
D. E. [Signature]

CLERK OF THE DISTRICT COURT
JUL 25 1976
3/21/77
4/22/77
Horn

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO
IN BANKRUPTCY

OCT 22 1976

BANKRUPTCY JUDGES
DISTRICT OF COLORADO

IN THE MATTER OF)
MOUNTAIN STATES SPORTS, INC.) NO. 76-B-1340
d/b/a UTAH STARS,)
Bankrupt.)
R. T. ECKLES, TRUSTEE FOR)
MOUNTAIN STATES SPORTS, INC.,)
Bankrupt,)
Plaintiff,)
vs.)
THE SPIRITS OF ST. LOUIS)
BASKETBALL CLUB, Limited)
Partnership et al,)
Defendants.)

PETITION
TO DISMISS COMPLAINT FOR TEMPORARY
RESTRAINING ORDER, PRELIMINARY INJUNCTION
AND PERMANENT INJUNCTION

Comes now the Plaintiff by his attorney, Robert G. Pierce, and states and alleges as follows:

Subsequent to the filing of the above Complaint, the Plaintiff/Trustee and Spirits of St. Louis Basketball Club entered into an escrow agreement under the terms of which certain funds were to be placed in escrow, pending determination of the issues by arbitration, and the Trustee believes said escrow agreement adequately protects the Trustee's interests and that there is no necessity for issuance of a restraining order or preliminary or permanent injunction.

WHEREFORE, Plaintiff/Trustee prays the Court enter its Order dismissing the Plaintiff's Complaint herein without prejudice.

FILED
OCT 22 1976
CLERK OF COURT
DISTRICT OF COLORADO
BY *[Signature]*
3/1/77
1977

[Signature]
Robert G. Pierce (560)
Attorney for Plaintiff/Trustee
720 Kipling Street, Suite 201
Lakewood, Colorado 80215
Telephone: 232-3238

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO
IN BANKRUPTCY

IN THE MATTER OF)
MOUNTAIN STATES SPORTS, INC.) NO. 76-B-1340
d/b/a UTAH STARS,)
Bankrupt.)
R. T. ECKLES, TRUSTEE FOR)
MOUNTAIN STATES SPORTS, INC.,)
Bankrupt,)
Plaintiff,)
vs.)
THE SPIRITS OF ST. LOUIS)
BASKETBALL CLUB, Limited)
Partnership, et al,)
Defendants.)

FILED

OCT 22 1976

BANKRUPTCY JUDGES
DISTRICT OF COLORADO

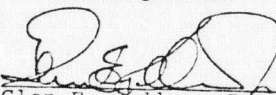
ORDER
TO DISMISS COMPLAINT FOR TEMPORARY
RESTRAINING ORDER, PRELIMINARY INJUNCTION
AND PERMANENT INJUNCTION

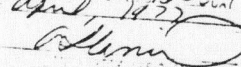
The Petition of the Plaintiff/Trustee in Bankruptcy
for Order dismissing complaint for temporary restraining order,
preliminary injunction and permanent injunction coming before
the Court this day and the Court having considered said Petition
and having heard the statements of counsel,

NOW THEREFORE, it is the Order of this Court as
follows:

The Complaint for Temporary Restraining Order,
Preliminary Injunction and Permanent Injunction is hereby
dismissed, without prejudice.

Signed this 22nd day of October, 1976.


Glen E. Keller, Jr.
Bankruptcy Judge

361/23
April 14 1977


In re
MOUNTAIN STATES SPORTS, INC.,
d/b/a UTAH STARS,
Bankrupt

R. T. WICKLES, TRUSTEE FOR
MOUNTAIN STATES SPORTS, INC.,
Bankrupt,

Plaintiff

v.

THE SPIRITS OF ST, LOUIS
BASKETBALL CLUB, Limited
Partnership et al

Defendants

FILED

RECEIVED IN BANKRUPTCY
DISTRICT OF COLORADO

Bankruptcy No. 76-B-1340

SUMMONS AND NOTICE OF TRIAL

To the above-named defendant:

You are hereby summoned and required to serve upon Robert G. Pierce

, plaintiff's attorney, whose

address is 720 Kipling Street, Suite 201, Lakewood, Colorado 80215

a motion or an answer, to the complaint which is herewith served upon you, on or before

September 27, 1976

, and to

file the motion or answer with this court not later than the second business day thereafter. If you

fail to do so, judgment by default will be taken against you for the relief demanded in the complaint.

You are hereby notified that trial of the proceeding commenced by this complaint has been set

for October 19, 1976, at 8:30 o'clock

a.m., in a Bankruptcy Courtroom, 103 U.S. Courthouse, 1929 Stout Street, Denver, Colorado.

You are further notified that a hearing on preliminary injunction is set for September 7, 1976, at 8:30 a.m., in a Bankruptcy Courtroom, 103 U.S. Courthouse, 1929 Stout Street, Denver, Colorado 80202.

IS A TRUE AND CORRECT COPY OF THE
ORIGINAL FILED IN THE BANKRUPTCY
COURT OF THE DISTRICT OF COLORADO
AT DENVER, COLORADO, ON SEPTEMBER 7, 1976.
GLEN E. KELLER, JR.
Bankruptcy Judge

Glen E. Keller, Jr.

Bankruptcy Judge

By:

Address:

103 U. S. Courthouse

Denver, Colorado 80202

Date of issuance: August 25, 1976

If you wish to object, do so in accordance with Bankruptcy Rule 714, that rule governs the time
within which an objection must be filed.

EXHIBIT C

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO
IN BANKRUPTCY

REFEREES IN BANKRUPTCY
DISTRICT OF COLORADO

IN RE:

MOUNTAIN STATES SPORTS, INC.,
d/b/a UTAH STARS,

Bankrupt,

R.T. ECKLES, TRUSTEE FOR MOUNTAIN
STATES SPORTS, INC., Bankrupt,

Plaintiff,

vs.

THE SPIRITS OF ST. LOUIS BASKETBALL
CLUB, Limited Partnership; OZZIE
SILNA; HARRY WELTMAN; NATIONAL
BASKETBALL ASSOCIATION, a joint
venture; CALIFORNIA SPORTS INCORPOR-
ATED, a California corporation; LEMAT
CORPORATION, a Delaware corporation,
the general partners of a limited
partnership, d/b/a Golden State Warriors;
PRO BASKETBALL, INC., an Oregon corpor-
ation; SEATTLE SUPERSONICS CORPORATION,
a Washington corporation, FIRST NORTHWEST
INDUSTRIES OF AMERICAN, INC., a
Washington corporation; PHOENIX PROFES-
SIONAL BASKETBALL CLUB, a limited partner-
ship; MILWAUKEE PROFESSIONAL SPORTS AND
SERVICES, INC., a Wisconsin corporation;
THE CHICAGO PROFESSIONAL BASKETBALL
CORPORATION, an Illinois corporation;
KINGS PROFESSIONAL BASKETBALL, INC., a
Missouri corporation; BOSTON CELTICS
BASKETBALL CLUB, INC., a Massachusetts
corporation; MADISON SQUARE GARDEN CORP.
and MADISON SQUARE GARDEN CENTER, INC.,
a New York corporation; DETROIT PISTONS
BASKETBALL CLUB, A limited partnership;
CAPITAL BULLETS BASKETBALL CLUB, INC., a
Maryland corporation; ATLANTA HAWKS
BASKETBALL, INC., a Georgia corporation;
TEXAS SPORTS INVESTMENT, INC., a Texas
corporation; CLEVELAND PROFESSIONAL
BASKETBALL COMPANY, an Ohio corporation;
and NEW ORLEANS PROFESSIONAL BASKETBALL
CLUB, a general partnership; LAWRENCE J.
O'BRIEN, Commissioner of National
Basketball Association; SIMON GOURDINE,
assistant Commissioner of National
Basketball Association; AMERICAN BASKET-
BALL ASSOCIATION, a Delaware corporation;
THE DENVER NUGGETS; THE NEW YORK METS; THE
SAN ANTONIO SPURS; THE INDIANA PACERS;
DAVE deBUSSCHERE, Commissioner of the
American Basketball Association;

Defendants.

No. 76-B-1340